

**341.830 Assessment against transferee of a fraudulent conveyance made with intent to hinder or evade collection of contributions due from transferor.**

- (1) When the cabinet reasonably believes that any employer has divested himself by gift, conveyance, assignment, transfer of, or charge upon any property, whether real, personal, tangible or intangible, with the intent to hinder or evade the collection of any contributions assessed or to be assessed by the cabinet or declared by the employer on a report filed with the cabinet, any transferee of such property may be assessed by the cabinet an amount equal to the lesser of the amount of contributions assessed against the transferor employer or the fair market value of the property so transferred. However, no assessment shall be made pursuant to this section against a transferee who takes the property for full and valuable consideration in money or money's worth, unless such transferee had notice of the intent of the transferor employer to hinder or evade the collection of any contributions.
- (2) Any assessment made by the cabinet against a transferee pursuant to subsection (1) of this section is, except as provided in this section, subject to the same provisions and limitations as in the case of the contributions for which the liabilities were incurred.
- (3) The period of limitation for assessment of any liability against a transferee pursuant to subsection (1) of this section shall be as follows:
  - (a) In the case of an initial transferee, within one (1) year after the expiration of the period of limitation for assessment against the transferor employer; and
  - (b) In the case of the liability of a transferee, within one (1) year after the expiration of the period of limitation for assessment against the preceding transferee, but not more than three (3) years after the expiration of the period of limitation for assessment against the initial transferor employer.
- (4) The notice of any assessment against a transferee made pursuant to subsection (1) of this section shall be either given to the transferee in person or sent by mail to such transferee's last known address.

**Effective:** July 15, 1986

**History:** Created 1986 Ky. Acts ch. 26, sec. 16, effective July 15, 1986.